

REFERENCE TITLE: personal property; tax exemption

State of Arizona
House of Representatives
Forty-ninth Legislature
First Regular Session
2009

HCR 2012

Introduced by
Representatives Murphy, Antenori, Court, Kavanagh, Senator Pearce:
Representatives Crump, Hendrix

A CONCURRENT RESOLUTION

PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA; AMENDING ARTICLE IX,
SECTION 2, CONSTITUTION OF ARIZONA; RELATING TO PROPERTY TAX.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it resolved by the House of Representatives of the State of Arizona, the
2 Senate concurring:

3 1. Article IX, section 2, Constitution of Arizona, is proposed to be
4 amended as follows if approved by the voters and on proclamation of the
5 Governor:

6 2. Property subject to taxation: exemptions

7 Section 2. (1) There shall be exempt from taxation all
8 federal, state, county and municipal property.

9 (2) Property of educational, charitable and religious
10 associations or institutions not used or held for profit may be
11 exempt from taxation by law.

12 (3) Public debts, as evidenced by the bonds of Arizona,
13 its counties, municipalities or other subdivisions, shall also
14 be exempt from taxation.

15 (4) All household goods owned by the user thereof and
16 used solely for noncommercial purposes shall be exempt from
17 taxation, and such person entitled to such exemption shall not
18 be required to take any affirmative action to receive the
19 benefit of such exemption.

20 (5) Stocks of raw or finished materials, unassembled
21 parts, work in process or finished products constituting the
22 inventory of a retailer or wholesaler located within the state
23 and principally engaged in the resale of such materials, parts
24 or products, whether or not for resale to the ultimate consumer,
25 shall be exempt from taxation.

26 (6) The legislature may exempt personal property that is
27 used for agricultural purposes or in a trade or business from
28 taxation in a manner provided by law, except that the exemption
29 does not apply to any amount of the full cash value of the
30 personal property of a taxpayer that exceeds fifty thousand
31 dollars. EACH YEAR the legislature ~~may~~ SHALL provide by law ~~to~~
32 AN increase TO the exempt amount ~~according to annual variations~~
33 ~~in a designated national inflation index AND PROVIDE BY LAW A~~
34 FULL EXEMPTION NOT LATER THAN 2014.

35 (7) The legislature may exempt the property of cemeteries
36 that are set apart and used to inter deceased human beings from
37 taxation in a manner provided by law.

38 (8) There shall be further exempt from taxation the
39 property of each honorably discharged airman, soldier, sailor,
40 United States marine, member of revenue marine service, the
41 coast guard, nurse corps or of any predecessor or of the
42 component of auxiliary of any thereof, resident of this state,
43 in the amount of:

1 (a) One thousand five hundred dollars if the total
2 assessment of such person does not exceed three thousand five
3 hundred dollars.

4 (b) One thousand dollars if the total assessment of such
5 person does not exceed four thousand dollars.

6 (c) Five hundred dollars if the total assessment of such
7 person does not exceed four thousand five hundred dollars.

8 (d) Two hundred fifty dollars if the total assessment of
9 such person does not exceed five thousand dollars.

10 (e) No exemption if the total assessment of such person
11 exceeds five thousand dollars.

12 No such exemption shall be made for such person unless
13 such person shall have served at least sixty days in the
14 military or naval service of the United States during World War
15 I or prior wars and shall have been a resident of this state
16 prior to September 1, 1945.

17 (9) There shall be further exempt from taxation as herein
18 provided the property of each honorably discharged airman,
19 soldier, sailor, United States marine, member of revenue marine
20 service, the coast guard, nurse corps or of any predecessor or
21 of the component of auxiliary of any thereof, resident of this
22 state, where such person has a service-connected disability as
23 determined by the United States veterans administration or its
24 successor. No such exemption shall be made for such person
25 unless he shall have been a resident of this state prior to
26 September 1, 1945 or unless such person shall have been a
27 resident of this state for at least four years prior to his
28 original entry into service as an airman, soldier, sailor,
29 United States marine, member of revenue marine service, the
30 coast guard, nurse corps or of any predecessor or of the
31 component of auxiliary of any thereof. The property of such
32 person having a compensable service-connected disability exempt
33 from taxation as herein provided shall be determined as follows:

34 (a) If such person's service-connected disability as
35 determined by the United States veterans administration or its
36 successor is sixty per cent or less, the property of such person
37 exempt from taxation shall be determined by such person's
38 percentage of disability multiplied by the assessment of such
39 person in the amount of:

40 (i) One thousand five hundred dollars if the total
41 assessment of such person does not exceed three thousand five
42 hundred dollars.

43 (ii) One thousand dollars if the total assessment of such
44 person does not exceed four thousand dollars.

1 (iii) Five hundred dollars if the total assessment of
2 such person does not exceed four thousand five hundred dollars.

3 (iv) Two hundred fifty dollars if the total assessment of
4 such person does not exceed five thousand dollars.

5 (v) No exemption if the total assessment of such person
6 exceeds five thousand dollars.

7 (b) If such person's service-connected disability as
8 determined by the United States veterans administration or its
9 successor is more than sixty per cent, the property of such
10 person exempt from taxation shall be in the amount of:

11 (i) One thousand five hundred dollars if the total
12 assessment of such person does not exceed three thousand five
13 hundred dollars.

14 (ii) One thousand dollars if the total assessment of such
15 person does not exceed four thousand dollars.

16 (iii) Five hundred dollars if the total assessment of
17 such person does not exceed four thousand five hundred dollars.

18 (iv) Two hundred fifty dollars if the total assessment of
19 such person does not exceed five thousand dollars.

20 (v) No exemption if the total assessment of such person
21 exceeds five thousand dollars.

22 (10) There shall be further exempt from taxation the
23 property of each honorably discharged airman, soldier, sailor,
24 United States marine, member of revenue marine service, the
25 coast guard, nurse corps or of any predecessor or of the
26 component of auxiliary of any thereof, resident of this state,
27 where such person has a nonservice-connected total and permanent
28 disability, physical or mental, as so certified by the United
29 States veterans administration, or its successor, or such other
30 certification as provided by law, in the amount of:

31 (a) One thousand five hundred dollars if the total
32 assessment of such person does not exceed three thousand five
33 hundred dollars.

34 (b) One thousand dollars if the total assessment of such
35 person does not exceed four thousand dollars.

36 (c) Five hundred dollars if the total assessment of such
37 person does not exceed four thousand five hundred dollars.

38 (d) Two hundred fifty dollars if the total assessment of
39 such person does not exceed five thousand dollars.

40 (e) No exemption if the total assessment of such person
41 exceeds five thousand dollars.

42 No such exemption shall be made for such person unless he
43 shall have served at least sixty days in the military or naval
44 service of the United States during time of war after World War

1 I and shall have been a resident of this state prior to
2 September 1, 1945.

3 (11) There shall be further exempt from taxation the
4 property of each widow, resident of this state, in the amount
5 of:

6 (a) One thousand five hundred dollars if the total
7 assessment of such widow does not exceed three thousand five
8 hundred dollars.

9 (b) One thousand dollars if the total assessment of such
10 widow does not exceed four thousand dollars.

11 (c) Five hundred dollars if the total assessment of such
12 widow does not exceed four thousand five hundred dollars.

13 (d) Two hundred fifty dollars if the total assessment of
14 such widow does not exceed five thousand dollars.

15 (e) No exemption if the total assessment of such widow
16 exceeds five thousand dollars.

17 In order to qualify for this exemption, the income from
18 all sources of such widow, together with the income from all
19 sources of all children of such widow residing with the widow in
20 her residence in the year immediately preceding the year for
21 which such widow applies for this exemption, shall not exceed:

22 1. Seven thousand dollars if none of the widow's children
23 under the age of eighteen years resided with her in such widow's
24 residence; or

25 2. Ten thousand dollars if one or more of the widow's
26 children residing with her in such widow's residence was under
27 the age of eighteen years, or was totally and permanently
28 disabled, physically or mentally, as certified by competent
29 medical authority as provided by law.

30 Such widow shall have resided with her last spouse in this
31 state at the time of the spouse's death if she was not a widow
32 and a resident of this state prior to January 1, 1969.

33 (12) No property shall be exempt which has been conveyed
34 to evade taxation. The total exemption from taxation granted to
35 the property owned by a person who qualifies for any exemption
36 in accordance with the terms of subsections (8), (9), (10)
37 or (11) shall not exceed one thousand five hundred dollars. The
38 provisions of this section shall be self-executing.

39 (13) All property in the state not exempt under the laws
40 of the United States or under this constitution or exempt by law
41 under the provisions of this section shall be subject to
42 taxation to be ascertained as provided by law.

43 2. The Secretary of State shall submit this proposition to the voters
44 at the next general election as provided by article XXI, Constitution of
45 Arizona.